Contract modality review

Executive Board Presentation
August 2023
UNOPS operating model requires the organization structure to grow dynamically and continually resize to ensure we are fit for purpose.

Our project-based structure must be capable of continuously reforming around emerging priorities.

The requirements of our workforce therefore differ by the type and context of the work performed:
Workforce challenges

- UNOPS project-based approach has contributed to the long-term growth and cost efficiency of the organization. It has facilitated flexibility, agility, and access to specialized skills, against the background of a wider UN system that has not always been able to respond at pace.

- UNOPS project-based structure means that a mix of Fixed Term (Staff) and Individual Contractor Agreements (ICA) will always be required.

- However over time, the boundary between the core organization structure and project roles has blurred, creating a number of workforce management challenges, including:
  - Over reliance on Individual Contractor Agreements (ICA) to engage personnel;
  - Uncertainty for personnel engaged on ICA contracts, contributing to cultural issues; and
  - Talent management challenges, including barriers to mobility that limit the organization's ability to fill key position quickly; and retain high performing talent.

*Note: Please see Appendix 2 for geographical breakdown of ICA usage.*
Project objectives

- In 2022, the United Nations Board of Auditors (UNBOA) recommended that UNOPS:
  ‘list clearly in its rules, the positions that entail ‘inherently UN activities’ and must be filled by staff members to ensure that staff members remain the core human resources of the organization’ (para 206).

- In late 2022, the People and Culture Group (PCG) established a dedicated project team to ensure the appropriate application of Fixed Term (Staff) and Individual Contractors (ICA) across the organization, in compliance with UNOPS policy; ensuring a consistent and fair approach to the transition of impacted personnel. Specific objectives of the project include:
  - To convert identified personnel to FTA in compliance with audit recommendations.
  - To ensure minimal operational disruption and smooth transition of impacted personnel.
  - To prioritize a people centered approach that considers individual situations, without compromising organizational priorities.
  - To manage conversion consistently and fairly.
Inherent UN activities

- UNOPS policy stipulates that for a post to be established as FTA, the activities associated with it, require the exercise of substantial discretion in applying UN authority and/or in making decisions for the UN.

- This means the activities in the relevant Job Description are:
  - Requiring a significant fiduciary responsibility;
  - Determining, protecting, and advancing the interests of the United Nations;
  - Significantly affecting the safety and security or property or persons;
  - Exerting ultimate control over the acquisition, use, or disposition of United Nations property;
  - Acting as internal control custodian of the organization; or
  - Deciding on rules to be reflected in the corporate manuals and policies, including making exceptions to such policies.
Approach

Project planning

- Review requirements
- Propose approach
- Define risks
- Establish review board
- Stakeholder consultation, including regions

Q3 2022

Q4 2022 - Q4 2023

Phase 1

- High impact positions, planned and budgeted in 2023 budget
- Impact assessment
- Consultation and communication
- Assessment process (if required)
- Contract issue

Phase 2

- Other positions in HQ and Regions
- Impact assessment
- Consultation and communication
- Assessment process (if required)
- Contract issue

Q4 2023 onward
### Progress to date

<table>
<thead>
<tr>
<th>Key Milestones</th>
<th>Date</th>
<th>Status</th>
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<tbody>
<tr>
<td>Approval of positions in Phase One</td>
<td>December 2022</td>
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<tr>
<td>Regional consultations on proposed approach</td>
<td>January 2023</td>
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<tr>
<td>Impact analysis</td>
<td>March 2023</td>
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<td>Update of policies and online resources for communication</td>
<td>May 2023</td>
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<td>ED approval of conversion approach</td>
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<td>Organization wide communication on approach</td>
<td>June 2023</td>
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<td>Implementation planning with regions</td>
<td>July 2023</td>
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<td>One to one discussions with personnel</td>
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<tr>
<td>Letters of Appointment sent</td>
<td>August 2023 onward</td>
<td>Underway</td>
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<tr>
<td>Phase Two review begins</td>
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